Decision **DRAFT DECISION OF COMMISSIONER PEEVEY** (Mailed 2/21/06)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the Commission's Own Motion to Establish Consumer Rights and Consumer Protection Rules Applicable to All Telecommunications Utilities.

Rulemaking 00-02-004 (Filed February 3, 2000)

OPINION GRANTING INTERVENOR COMPENSATION TO THE UTILITY REFORM NETWORK FOR FURTHER CONTRIBUTIONS TO DECISION 04-05-057

Summary

This decision grants \$58,373.00 in intervenor compensation to The Utility Reform Network (TURN) for its further contributions to Decision (D.) 04-05-057, approximately \$78,085 less than TURN requested. Only amounts directly attributable to preparing and filing TURN's motion to intervene in federal litigation seeking to overturn D.04-05-057, and amounts for preparing its compensation claim, have been allowed.

Background

On May 27, 2004, the Commission issued D.04-05-057, *Interim Decision Issuing General Order 168, Rules Governing Telecommunications Consumer Protection*. Following appeals, the Commission on August 19, 2004 issued D.04-08-056, its *Order Denying Motions for Stay of Decision 04-05-057*, and on October 7, 2004, D.04-10-013, *Order Modifying and Denying Applications for Rehearing of Decision 04-05-057*.

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In September 2004, two separate complaints seeking to overturn D.04-05-057 were filed in federal court.¹ TURN, Utility Consumers Action Network, and National Consumer Law Center, three consumer groups that had made substantial contributions to D.04-05-057, joined together to obtain outside counsel and begin the process of formally intervening in the federal litigation and, on December 9, 2004, filed their motions to intervene in both cases. On December 15, 2004, TURN filed a Supplemental Notice of Intent (NOI) to Claim Intervenor Compensation with the Commission on behalf of the three joint participants. On January 7, 2005, the plaintiff carriers filed first amended complaints in response to the defendants' motions to dismiss both court cases.

On January 27, 2005, the Commission issued D.05-01-058 staying D.04-05-057 pending further examination of whether General Order 168 provided a consumer protection structure that could be reasonably implemented, adequately enforced, and viable in the longer term. The following day, the plaintiffs in each of the federal actions filed Notices of Voluntary Dismissal, bringing those actions to a close. On March 29, 2005, TURN filed the compensation request we address today, seeking to recover fees and costs incurred during the federal litigation effort.²

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¹ Cellco Partnership v. Peevey, No. SACV 04-1139; and Nextel of California, Inc. v. Brown, No. SACV 04-1229.

² According to TURN, this Request for Compensation includes the total costs of the outside counsel jointly retained by the three groups, but only TURN's staff costs and directly-incurred expenses for work on the federal litigation.

Under Pub. Util. Code § 1804(c),³ within 30 days after service of a request for compensation, the Commission staff or any other party may file a response, and under Rule 76.75, the customer may file a reply to a response within 15 days after service of the response. In this case, Verizon Wireless, T-Mobile, Cingular Wireless, Nextel of California, Inc., and Sprint Telephony PCS, L.P. and Sprint Spectrum L.P., as Agent for WirelessCo, L.P. (jointly, "Carriers") filed a joint response, and TURN filed its reply. Both the response and reply were timely.

Requirements for Awards of Compensation

The intervenor compensation program enacted in §§ 1801-1812 establishes a mechanism for reimbursing public utility customers for their reasonable costs of participation in Commission proceedings if they make a substantial contribution to the Commission's decision. All of these procedures must be followed and criteria satisfied for an intervenor to obtain a compensation award:

- 1. The intervenor must satisfy certain procedural requirements including filing a sufficient notice of intent to claim compensation within 30 days of the prehearing conference (or in special circumstances, at other appropriate times that we specify). (§ 1804(a).)
- 2. The intervenor must be a participant representing consumers, customers, or subscribers of a utility subject to our jurisdiction; a representative who has been authorized by a customer; or a representative of a group or organization authorized to represent the interests of residential customers. (§ 1802(b).)
- 3. The intervenor must demonstrate "significant financial hardship." (§§ 1802(g), 1804(b)(1).)

³ All statutory references are to the Public Utilities Code.

- 4. The intervenor should file and serve a request for a compensation award within 60 days of a final order or decision in a hearing or proceeding. (§ 1804(c).)
- 5. The intervenor's presentation must have made a "substantial contribution" to the proceeding through the adoption, in whole or in part, of the intervenor's contention or recommendations by a Commission order or decision. (§§ 1802(i), 1803(a).)
- 6. The claimed fees and costs must be reasonable and comparable to the market rates paid to experts and advocates having comparable training and experience and offering similar services. (§ 1806.)

We evaluate TURN's compliance with these criteria below.

Procedural Requirements

Because no prehearing conference was held, the assigned Administrative Law Judge (ALJ) on March 20, 2000 issued a ruling setting a June 2, 2000 NOI filing deadline, 30 days after the first round of reply comments was due. On May 19, 2000, the ALJ issued a subsequent ruling extending the date for reply comments and at the same time extended the NOI deadline to September 14, 2000. TURN filed a timely NOI and was determined to have a rebuttable presumption of eligibility by the assigned ALJ's ruling on October 6, 2000. TURN is a customer of the third type, *i.e.*, a formally organized group authorized to represent the interests of residential customers.

TURN received two previous awards of compensation in this proceeding for its substantial contributions to our earlier decisions.⁴ Although not required

⁴ D.02-04-007 for contributions to D. 01-07-030, and D.04-12-054 for contributions to D.04-05-057.

to do so, on December 15, 2004, TURN filed a Supplemental NOI to Claim Compensation to update the scope of its original NOI filed in 2000, and to state its intent to seek compensation for its federal court work in this matter. As a customer found eligible for an award of compensation in one phase of a proceeding, TURN remains eligible in later phases, including any involving rehearing.⁵

Under § 1804(c), a request for compensation is to be filed within 60 days of the issuance of a final order or decision by the Commission. Neither the Public Utilities Code nor the Commission's Rules of Practice and Procedure provide a filing deadline for a request for compensation triggered by a court decision involving judicial review. We agree with TURN that the January 28, 2005 Notices of Voluntary Dismissal in each separate federal District Court proceeding were an appropriate trigger of the 60-day filing period. TURN's Request for An Award of Compensation was timely filed on March 29, 2005, within 60 days of that date. TURN has met the procedural requirements necessary to request compensation.

Substantial Contribution

In evaluating whether a customer made a substantial contribution to a proceeding, we look at several things. First, did the ALJ or Commission adopt one or more of the factual or legal contentions or specific policy or procedural recommendations put forward by the customer? Second, if the customer's contentions or recommendations paralleled those of another party, did the

⁵ Rules of Practice and Procedure, Rule 76.76.

⁶ See § 1802(i).

customer's participation materially supplement, complement, or contribute to the presentation of the other party or to the development of a fuller record that assisted the Commission in making its decision? Assessment of whether the customer made a substantial contribution as described in § 1802(i) requires the exercise of judgment.

In assessing whether the customer meets this standard, the Commission typically reviews the record, composed in part of pleadings of the customer and, in litigated matters, the hearing transcripts, and compares it to the findings, conclusions, and orders in the decision to which the customer asserts it contributed. It is then a matter of judgment as to whether the customer's presentation substantially assisted the Commission.⁸

Even where the Commission does not adopt any of the customer's recommendations, compensation may be awarded if, in the Commission's judgment, the customer's participation substantially contributed to the decision or order. For example, if a customer provided a unique perspective that enriched the Commission's deliberations and the record, the Commission could find that the customer made a substantial contribution.⁹

A customer found eligible to seek intervenor compensation may remain eligible to seek additional compensation even after the Commission has issued its order: under § 1802(a), an eligible customer's participation in the judicial

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⁷ See § 1802.5.

⁸ D.98-04-059, 79 CPUC2d 628 at 653.

⁹ See D.03-12-019, discussing D.89-03-063 (31 CPUC2d 402) (awarding San Luis Obispo Mothers for Peace and Rochelle Becker compensation in the Diablo Canyon Rate Case because their arguments, although ultimately unsuccessful, forced the utility to thoroughly document the safety issues involved).

review process may give rise to compensable claims.¹⁰ In that event, the Commission may determine that the prerequisite "substantial contribution" was satisfied by the customer's substantial contribution to the earlier order that was the subject of judicial review.¹¹ Further, this is true for judicial review in federal as well as state courts, and the intervenor need not have initiated that judicial review to be found to have participated in "obtaining judicial review" as contemplated in § 1802(a).

Here, TURN seeks compensation to recover fees and costs incurred during the short-lived federal litigation, described above, in which the plaintiff carriers sought to overturn the consumer protection rules adopted in D.04-05-057 on preemption and a variety of other federal law claims.

In their joint response, the Carriers object to TURN's claim on the grounds that TURN's involvement in the federal court's judicial review was limited to filing a motion to intervene that was never ruled on by the court, and a reply brief in support of that motion, and preparing a motion to dismiss that was never

obtaining an award under this article and of obtaining judicial review, if any."

^{10 &}quot;'Compensation' means payment for all or part, as determined by the commission, of reasonable advocate's fees, reasonable expert witness fees, and other reasonable costs of preparation for and participation in a proceeding, and includes the fees and costs of

^{(§ 1802(}a).)

[&]quot;It is true ... that the Intervenor Compensation Provisions were designed to compensate customers who make a 'substantial contribution' to PUC proceedings. (§ 1801.3, subd. (d).) Indeed, making a substantial contribution is a prerequisite to an award of compensation. (§ 1803.) However, once a customer makes such a contribution to a PUC proceeding, that customer may obtain compensation for the fees and costs of obtaining judicial review, regardless whether that judicial review work made a substantial contribution to the PUC proceeding." *Southern California Edison Co. v. CPUC.* (2004) 117 Cal.App.4th 1039, 12 Cal.Rptr.3d 441, 449-450.

filed. "Because the District Court never granted or even held a hearing on TURN's motion to intervene, TURN was not a party to the federal lawsuit and therefore did not participate in judicial review of the Commission's decision." This was so, however, only because the plaintiffs voluntarily withdrew their suits before the District Court acted.

According to the Carriers, "limiting compensation to groups that achieve party status in judicial proceedings comports with the legislature's intent." The Carriers have it backward. In fact, TURN's work here sought to defend a Commission decision to which TURN and the other consumer groups had made substantial contributions. The Legislature has directed the Commission in § 1801.3(b), "The provisions of this article shall be administered in a manner that encourages the effective and efficient participation of all groups that have a stake in the public utility regulation process." We would not be doing so if we were to accept the Carriers' argument. As we recently noted in another proceeding, the California Court of Appeal has supported an award of intervenor compensation to parties seeking to defend a Commission decision in which they had prevailed.

The California Court of Appeal also noted "the legislative mandate to interpret the statutory provisions to encourage effective intervenor participation. (Sec. 1803(b).) If an intervenor cannot gain compensation to defend a Commission decision in which the intervenor prevailed, the intervenor's effectiveness is severely limited." (*SCE v. PUC, supra,* 117 Cal. App. 4th 1039, 1050 - 1051, quoting from D.03-04-034, slip op. at

¹² Carriers' Response, page 3.

¹³ Carriers' Response, page 4.

p. 6.) "The Legislature recognized, however, that a decision by the PUC is not necessarily the final word on a matter, and saw fit to assist customers who wished to continue advocating their positions after the PUC has issued a decision." (*Id.* at p. 1049.)¹⁴

That is TURN's situation here. By objecting that TURN did not achieve party status, the Carriers urge an unsupportably narrow interpretation of the § 1802(a) definition of "compensation." A more complete reading of § 1802(a) shows that it is not simply "participation in" a proceeding (including judicial review flowing from that proceeding), but "preparation for and participation in" [emphasis added] a proceeding that may give rise to compensable work. The effort TURN put into its petition to intervene in judicial review was as essential to successfully defending its contributions as its subsequent participation would have been had the plaintiff carriers not first amended and later withdrawn their lawsuits, and that effort should be compensable if TURN meets the other criteria for compensation.

The Carriers have not shown that TURN's attempt to intervene was illogical or inappropriate in these circumstances, or that the fees and costs TURN incurred in connection with its filed motion to intervene and supporting brief were unreasonable or excessive. TURN and the intervenors with whom it jointly participated have already been found to have made substantial contributions to D.04-05-057, 15 and it was the judicial review of that decision that was dismissed due to circumstances beyond their control. The Carriers' main argument for

¹⁴ D.05-01-059, page 9.

¹⁵ D.04-12-054 (Opinion Granting Intervenor Compensation for Substantial Contributions to Decision 04-05-057), Finding of Fact 3.

denying TURN *any* costs, that TURN's motion to intervene had not yet been granted, is unpersuasive. The court had not acted on the motion one way or the other, and in light of TURN's recent successful intervention in federal litigation brought by certain energy utilities, TURN had no reason to believe the court would reject it.

As TURN points out, the Carriers would shift to intervenors all risk that the judicial review initiated by others in federal court might unexpectedly end for reasons beyond the control of the intervenor participating in that judicial review. Such an outcome would make intervenors reluctant to participate in judicial review, as recognized by both the Commission and the Court of Appeal. It would also be inconsistent with a series of Commission decisions recognizing that all risk of unanticipated dismissal should not be assigned to intervenors. The Commission has several times awarded intervenor compensation despite the fact that the underlying proceeding was dismissed due to circumstances beyond the Commission's or the intervenor's control.

Denying TURN any compensation in this proceeding simply because circumstances beyond its control led to dismissal of the application would be both unfair and inconsistent with the intent of the intervenor compensation statutes. Moreover, doing so could potentially discourage it from participating in future proceedings. We value the continued participation of intervenors like TURN as evidenced by our frequent decisions awarding it compensation for its assistance to our decision-making process. Finally, if we were to deny compensation here because there was no decision or order addressing the merits of TURN's substantive participation, we could create an inappropriate incentive for intervenors to argue for the

continued processing of cases even where discontinuation of the proceeding is the better outcome.¹⁶

However, while we agree with TURN that it should be compensated for the reasonable costs of its attempt to intervene, it does not follow that we agree TURN should be relieved of its *entire* risk in this situation.

The intervenor compensation program is not structured to provide an intervenor with full assurance of being reimbursed for its costs of participation. Each time an intervenor such as TURN decides to participate in a given proceeding, it assumes the risk that its costs of participation therein will not be fully reimbursed. That risk is a part of the intervenor compensation program and is appropriate to ensure that the intervenor's conduct is calculated to assist the Commission in carrying out its public duties. We see no reason to increase the intervenor's risk by denying any compensation in a proceeding that is prematurely terminated for reasons that are not reasonably foreseen and are beyond its control.¹⁷

As we discuss in the next section, approximately one-half of TURN's compensation request represents the motion to intervene and accompanying brief TURN actually filed before the suit was dismissed. Where, as here, a substantial part of the intervenor's costs were for an uncompleted effort (*i.e.*, the motion to dismiss that was never filed), it would be appropriate for the intervenor to share some of the risk of recovery. To do otherwise would be to encourage intervenors to expend excessive resources in expectation of complete recovery regardless of the likelihood of success.

¹⁶ D.02-08-061, pages 7-8. See also, D.03-06-065, page 6.

¹⁷ *Ibid*.

So, while we conclude that TURN has met the "substantial contribution" test and its efforts in defending its earlier contributions before the federal District Court are potentially compensable, we also conclude that TURN should be compensated for only a portion of its costs as set forth in the following section.

Reasonableness of Requested Compensation

The components of a claimant's request must constitute reasonable fees and costs of the claimant's preparation for and participation in the proceeding. Only those fees and costs associated with the claimant's work that the Commission concludes made a substantial contribution are reasonable and eligible for compensation. Here, we first assess whether the hours and non-labor expenses TURN charged for its compensable efforts are reasonable, and then we determine whether the hourly rates claimed are commensurate with market rates for similar services from comparably qualified persons.

TURN made minor arithmetic errors in its claim. TURN's claim is tabulated in summary form below just as TURN presented it. In the award set forth later, we correct TURN's arithmetic errors, limit its compensable hours to those directly attributable to its motion to intervene, and reduce certain hourly rates.

TURN's Claim

| Name | Expertise | Year | Hours | Rate | Amount |
|------------------------|-----------|-----------|-------|---------|--------------|
| TURN Staff | | | | | |
| Christine Mailloux | Attorney | 2004 | 22.5 | \$310 | \$ 7,312,50 |
| | | 2005 | 4.75 | 340 | 1,710.00 |
| Robert Finkelstein | Attorney | 2004 | 4.75 | 395 | 1,876.00 |
| | | 2005 | 12 | 197.50* | 2,370.00 |
| | | | | | |
| Outside Counsel | | | | | |
| Michael Strumwasser | Attorney | 2004/2005 | 21.2 | 550 | 11,660.00 |
| Gregory Luke | Attorney | 2004/2005 | 146 | 425 | 62,050.00 |
| Zahirah Washington | Attorney | 2004/2005 | 206.6 | 225 | 46,485.00 |
| | | | | | |
| Subtotal Counsel | | | | | 133,463.75 |
| | | | | | |
| TURN Expenses | | | | | 44.51 |
| S&W Expenses | | | | | 2,949.81 |
| | | | | | |
| Subtotal Expenses | | | | | 2,994.32 |
| | | | | | |
| Total Claim | | | | | \$136,458.07 |

*Claim preparation rate

Hours and Costs

TURN submitted detailed daily time logs to support its hours. For each day, it logged the date and the representative, the number of hours, and the activity in which the representative engaged. We have examined TURN's hours, expenses and other documentation, and we agree the hours claimed for preparing its motion to intervene and the supporting brief that were actually filed before the suit was dismissed are reasonable for the purpose of intervening in the federal litigation that constituted, or would have constituted, judicial review of D.04-05-057. As discussed earlier, however, we believe it would be appropriate in this situation for TURN to share the risk that litigation would be

dismissed. Accordingly, we will not compensate TURN for its preparatory work, for its motion to dismiss, or for any work TURN's attorney timesheets do not distinguish as entirely related to its motion to intervene or preparing its compensation claim. Correcting for arithmetic errors and adjusting for the attorney hourly rates below reduces TURN's \$133,464 request for attorney time to \$109,770. Of that, we today allow \$56,823 for attorney time, or 51.77%. Thus, TURN will receive just over one-half of its adjusted claim, a proportion that strikes us as a reasonable sharing of risk under the circumstances.

We note that TURN properly reduced by one-half its attorney charge for preparing this compensation request, and excluded from the claim its hours and expenses associated with earlier awards already received in this proceeding.

Likewise, TURN's non-labor charges are commensurate with the efforts described in this intervenor compensation claim. Because amounts related to preparing the motion to intervene and supporting brief are indistinguishable from all other non-labor amounts, we have allowed \$1,550 for them, the same 51.77% proportion as we have allowed for attorney labor compensation.

Market Rate Standard

In D.05-11-031, we set forth principles and guidelines for determining the hourly rates for intervenors' representatives for work performed in 2005, and determined that that the hourly rates we previously approved for intervenors for 2004 work was within the market rate standard of § 1806. We also set a range of

¹⁸ TURN redacted from the attorney logs in its filed request for compensation the specific purpose of each daily time charge. The assigned ALJ subsequently requested and received an unredacted version with notations showing which activities related to the motion to intervene and which related to the motion to dismiss. The unredacted version is protected from disclosure by the ALJ's October 4, 2005 ruling.

rates we found reasonable for intervenors' attorneys, based on the number of years since completing law school. Generally, D.05-11-031 does not authorize increases for 2005 work above rates previously awarded for 2004 work.

In D.04-12-054, our earlier compensation decision in this proceeding, we awarded attorney Mailloux an hourly rate of \$325 for 2004 work. All of her work here was done between October 2004 and January 2005, so we will continue to apply the \$325 rate in this phase.

TURN requests an hourly rate of \$395 for attorney Finkelstein's work performed in 2004 and early-2005. In D.05-03-016, we awarded Finkelstein this same rate for 2004 work, so we approve it for his work here as well.

TURN requests an hourly rate of \$550 for outside attorney Strumwasser's work performed at the end of 2004 and beginning of 2005. In D.05-04-049, we awarded Strumwasser \$470 per hour for work in 2004 in another judicial review case, and we continue that rate here for both years.

For outside attorney Luke, TURN is requesting a \$425 hourly rate. Luke is new to Commission proceedings. He has eleven years experience since law school, including work for the American Civil Liberties Union, three years with the National Voting Rights Institute, two years in private practice, and experience clerking for the Chief Judge of the U.S. District Court in the Virgin Islands. D.05-11-031 set an hourly rate range of \$270-\$325 for attorneys with 8-12 years since law school, including those new to our proceedings in 2004 and 2005. Recognizing Luke's varied and unique experience, we will award \$325, the top of that range, for Luke's work in late-2004 and early-2005.

For outside attorney Washington, TURN is requesting an hourly rate of \$225 for 2004 and 2005. Washington graduated from law school in 2002, interned with the U.S. Environmental Protection Agency, clerked at the National

Resources Defense Council in New York, and served in the NRDC's Southern California office before joining Strumwasser & Woocher. D.05-11-031 set a rate range of \$135-\$190 for attorneys with 0-2 years experience, and \$185-\$220 for 3-4 years experience. Considering Washington's qualifications, we will award a rate of \$190 for Washington's work in 2004 and 2005.

Having examined TURN's claimed hours, hourly rates, and expenses, we find the amounts TURN claims for intervenor compensation, as adjusted and corrected for arithmetic errors, reasonable.

TURN's Award

We award TURN \$58,373.00, as summarized in the table below.

| Advocate | Year | Year Hours | | Amount | |
|-------------|------|------------|-------|--------------|--|
| Mailloux | 2004 | 8.5 | \$325 | \$ 2,762.50 | |
| | 2005 | 4.5 | 325 | 1,462.50 | |
| Finkelstein | 2004 | 0.5 | 395 | 197.50 | |
| | 2005 | 6.5 | 395 | 2,567.50 | |
| Strumwasser | 2004 | 3.1 | 470 | 1,457.00 | |
| | 2005 | 3.0 | 470 | 1,410.00 | |
| Luke | 2004 | 42.1 | 325 | 13,682.50 | |
| | 2005 | 36.7 | 325 | 11,927.50 | |
| Washington | 2004 | 67.6 | 190 | 12,844.00 | |
| | 2005 | 44.8 | 190 | 8,512.00 | |
| Subtotal | | | | 56,823.00 | |
| | | | | | |
| Expenses | | | | 1,550.00 | |
| | | | | | |
| Total Award | | | | \$ 58,373.00 | |

TURN's Award

Consistent with previous Commission decisions, we order interest at the rate earned on prime, three-month commercial paper as reported in Federal Reserve Statistical Release H.15 be paid on the award amount, commencing

June 12, 2005, the 75th day after TURN filed its compensation request, and continuing until full payment is made.¹⁹

TURN suggests the award be assessed against the carriers that initiated the federal court litigation. However, this is a quasi-legislative rulemaking proceeding affecting the entire regulated telecommunications industry. As such, we find it appropriate to authorize payment of the compensation award from the intervenor compensation program fund, as described in D.00-01-020.

We remind TURN that Commission staff may audit its records related to intervenor compensation awards and that it must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Those records should identify specific issues for which it requested compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants, and any other costs for which compensation was claimed.

Comment Period

This is an intervenor compensation matter. Pursuant to Rule 77.7(f)(6) of the Commission's Rules of Practice and Procedure, the otherwise applicable 30-day period for public review and comment may be reduced or waived. In this instance, the usual comment period²⁰ was permitted in light of the complexity of the issues raised. TURN filed timely comments on March 13, 2006. There were no replies to TURN's comments. We have reviewed TURN's comments and made no changes to the draft decision.

¹⁹ TURN filed its request on March 29, 2005.

²⁰ Rules 77.2 and 77.5.

Assignment of Proceeding

Michael Peevey is the Assigned Commissioner in this proceeding and James McVicar is the assigned ALJ.

Findings of Fact

- 1. TURN filed a timely NOI and was found eligible to claim compensation in this proceeding.
 - 2. TURN filed a timely request for compensation.
- 3. TURN has made further substantial contributions to D.04-05-057, as described herein.
- 4. The hourly rates for TURN's attorneys as adjusted herein are reasonable when compared to the market rates for persons with similar training and experience.
- 5. The number of hours TURN has claimed for its attorneys as adjusted herein is reasonable.
- 6. The non-labor expense amounts TURN has claimed as adjusted herein are reasonable.
- 7. The reasonable compensation for TURN's contributions to D.04-05-057 is \$58,373.00. The Appendix to the opinion summarizes this award.
- 8. TURN's award should be paid from the Commission's intervenor compensation program fund described in D.00-01-020.

Conclusions of Law

1. TURN has fulfilled the requirements of Pub. Util. Code §§ 1801-1812, which govern awards of intervenor compensation, and is entitled to intervenor compensation as set forth herein for its costs incurred in making further substantial contributions to D.04-05-057.

- 2. Where, as here, a substantial part of the intervenor's costs were for an uncompleted effort (*i.e.*, the motion to dismiss that was never filed), it would be appropriate for the intervenor to share some of the risk of recovery.
- 3. TURN should be compensated for its reasonable costs directly attributable to preparing and filing its motion to intervene and supporting brief in the federal litigation seeking to overturn D.04-05-057, and for its costs of preparing this compensation claim. It should not be compensated for its other costs.
 - 4. TURN should be awarded \$58,373.00 for its contribution to D.04-05-057.
 - 5. This decision should be made effective immediately.

ORDER

IT IS ORDERED that:

- 1. The Utility Reform Network (TURN) is awarded \$58,373.00 as compensation for its further substantial contributions to Decision 04-05-057.
- 2. TURN's award shall be paid within 30 days of the effective date of this decision from the intervenor compensation program fund described in Decision 00-01-020. Payment shall include interest at the rate earned on prime, three-month commercial paper as reported in Federal Reserve Statistical Release H.15, beginning on June 12, 2005, the 75th day after the filing date of TURN's request for compensation, and continuing until full payment is made.

| This order is effective today. | | | | | |
|--------------------------------|--------------------------------|--|--|--|--|
| Dated | , at San Francisco, California | | | | |

Compensation Decision Summary Information

| Compensation | |
|----------------|---------------------|
| Decision: | |
| Contribution | |
| Decision(s): | D.04-05-057 |
| Proceeding(s): | R0002004 |
| Author: | Commissioner Peevey |
| Payer(s): | Commission |

Intervenor Information

| | | Amount | Amount | | Reason for | |
|-------------|----------------|-----------|----------|-------------|---------------------|--|
| Intervenor | Claim Date | Requested | Awarded | Multiplier? | Change/Disallowance | |
| The Utility | March 29, 2005 | \$136,458 | \$58,373 | No | Unproductive | |
| Reform | | | | | effort/excessive | |
| Network | | | | | hours; | |
| | | | | | Failure to justify | |
| | | | | | hourly rate; | |
| | | | | | Arithmetic errors | |

Advocate Information

| | | | | Housely Foo | Year | Hourly |
|------------|-------------|----------|-------------------------------|-------------------------|-------------------------|----------------|
| First Name | Last Name | Type | Intervenor | Hourly Fee Requested | Hourly Fee Requested | Fee Adopted |
| Christine | Mailloux | Attorney | The Utility Reform Network | 310 | 2004 | 325 |
| Christine | Mailloux | Attorney | The Utility Reform Network | 340 | 2005 | 325 |
| Robert | Finkelstein | Attorney | The Utility Reform Network | 395 | 2004 | 395 |
| Robert | Finkelstein | Attorney | The Utility Reform Network | 395 | 2005 | 395 |
| Michael | Strumwasser | Attorney | The Utility Reform Network | 550 | 2004 | 470 |
| Michael | Strumwasser | Attorney | The Utility Reform Network | 550 | 2005 | 470 |
| Gregory | Luke | Attorney | The Utility Reform Network | 425 | 2004 | 325 |
| Gregory | Luke | Attorney | The Utility Reform Network | 425 | 2005 | 325 |
| Zahirah | Washington | Attorney | The Utility Reform Network | 225 | 2004 | 190 |
| Zahirah | Washington | Attorney | The Utility Reform Network | 225 | 2005 | 190 |